

Preface

Since 1941, the Social Security Administration (SSA) has periodically surveyed the economic situation of the aged as part of its legislative directive to study the most effective methods of providing economic security. Between 1963 and 1972, three surveys were made that were national in scope and sampled nonbeneficiaries as well as beneficiaries. In 1963 and 1968, SSA administered its own questionnaire and combined data from these surveys with Social Security record data of the survey respondents. In 1972, SSA benefit record data were combined with the Bureau of the Census data from the March Current Population Survey (CPS).

SSA then began a series of biennial studies of the income of the aged based on CPS data alone. The first report in the series described the income of the population aged 55 or older, and in some cases the population aged 65 or older, based on 1976 data. The second report described apparent changes in the income of those age groups between 1976 and 1978. In the interest of publishing the data in a more timely fashion, however, beginning with the 1980 report, publications in the series have consisted of tabulations only.

The source of data for this series is the March supplement of the CPS, which samples a large cross section of households in the United States each year and provides detailed information annually on income and labor-force participation. Comparisons of CPS estimates with more precise estimates adjusted by Federal income tax records and Social Security records, made by Daniel Radner of the Social Security Administration, indicate that some sources are underreported in the CPS. Also, changes that have been made in the survey from time to time have improved the measurement of income and

labor-force participation but have reduced the comparability of estimates between years. Despite the shortcomings of the CPS data, they are used here because they provide the best available measures of income for detailed subgroups of the aged.

The Bureau of the Census also conducts a survey called the Survey of Income and Program Participation (SIPP) to expand upon and improve the measurement of economic status. In future years, SIPP data may be incorporated into this series.

The data in this publication are presented in terms of either aged units or aged persons. An aged unit is a married couple living together or a nonmarried person. Using aged units or aged persons as the units of analysis allows one to measure incomes of the entire aged population either separately from or in combination with the income of other members of the families with whom they live.

The tables in this publication focus on the income of the aged population separately, whether or not they live with other relatives. In contrast, in Bureau of the Census publications using CPS data, aged persons living with a younger relative who is considered the householder are classified as "families under 65." Thus, a portion of the aged population cannot be accounted for within the Census Bureau's categorization. But for the 23 percent of units aged 65 or older who lived with other family members in 1996, the income of the families with whom the aged units lived is important information. Therefore, data on family income of aged units are presented in tables II.1 and 11.2, and VIII.16.

Three tables have been added and one has been changed relating to poverty among the aged. Table VIII.5, which measures poverty with and without Social Security benefits, has been

changed to include the use of all 48 poverty thresholds by size of family and numbers of minor children rather than only the nine weighted thresholds by family size in measuring poverty without Social Security, and to include aged Social Security beneficiaries only rather than aged units in families with Social Security. Tables VIII.II, VIII.12, and VIII.13 have been added which measure poverty for aged persons based on their family income. These tables are in addition to tables on poverty of aged units based on their family income and of aged units based on their own unit income.